

107TH CONGRESS
2D SESSION

S. RES. 368

Expressing the sense of the Senate concerning the decline of world coffee prices and its impact on developing nations.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 20, 2002

Mr. LEAHY (for himself, Mr. DODD, Mr. SPECTER, and Mrs. FEINSTEIN)
submitted the following resolution; which was considered and agreed to

RESOLUTION

Expressing the sense of the Senate concerning the decline of world coffee prices and its impact on developing nations.

Whereas since 1997 the price of coffee has declined nearly 70 percent on the world market and has recently reached its lowest level in a century;

Whereas the collapse of coffee prices has resulted in a widespread humanitarian crisis for 25,000,000 coffee growers and for more than 50 developing countries where coffee is a critical source of rural employment and foreign exchange earnings;

Whereas, according to a recent World Bank report, 600,000 permanent and temporary coffee workers in Central American have been left unemployed in the last two years;

Whereas the World Bank has referred to the coffee crisis as “the silent Mitch”, equating the impact of record-low coffee prices upon Central American countries with the damage done to such countries by Hurricane Mitch in 1998;

Whereas 6 of 14 immigrants who died in the Arizona desert in May 2001 were small coffee farmers from Veracruz, Mexico;

Whereas The Washington Post, The New York Times, and the Wall Street Journal report that cultivation of illicit crops such as coca and opium poppy is increasing in traditional coffee-growing countries, such as Colombia and Peru, which have been adversely affected by low international coffee prices;

Whereas the economies of some of the poorest countries in the world, particularly those in Africa, are highly dependent on trade in coffee;

Whereas coffee accounts for approximately 80 percent of export revenues for Burundi, 54 percent of export revenues for Ethiopia, 34 percent of export revenues for Uganda, and 31 percent of export revenues for Rwanda;

Whereas, according to the Oxfam International Report “Mugged: Poverty in your Coffee Cup”, in the Dak Lak province of the lowest-cost coffee producers in the world, the price farmers receive for their product covers as little as 60 percent of their costs of production;

Whereas on February 1, 2002, the International Coffee Organization (ICO) passed Resolution 407, which calls on exporting member countries to observe minimum standards for exportable coffee and to provide for the issuance of ICO certificates of origin according to those standards

and also calls on importing member countries to “make their best endeavors to support the objectives of the programme”;

Whereas both the Specialty Coffee Association of America (SCAA) and the National Coffee Association (NCA) support ICO Resolution 407 and have publicly advocated for the United States to rejoin the International Coffee Organization;

Whereas the United States Agency for International Development (USAID) has already established coffee sector assistance programs for Colombia, Bolivia, the Dominican Republic, East Timor, El Salvador, Ethiopia, Guatemala, Haiti, Honduras, Nicaragua, Panama, Peru, Rwanda, Tanzania, and Uganda; and

Whereas House Report 107–663, highlights the coffee price crisis as a global issue and “urges USAID to focus its rural development and relief programs on regions severely affected by the coffee crisis, especially in Colombia”:
Now, therefore, be it

1 *Resolved*, That—

2 (1) it is the sense of the Senate that—

3 (A) the United States should adopt a glob-
4 al strategy to respond to the coffee crisis with
5 coordinated activities in Latin America, Africa,
6 and Asia to address the short-term humani-
7 tarian needs and long-term rural development
8 needs of countries adversely affected by the col-
9 lapse of coffee prices; and

1 (B) the President should explore measures
2 to support and complement multilateral efforts
3 to respond to the global coffee crisis; and
4 (2) the Senate urges private sector coffee buy-
5 ers and roasters to work with the United States
6 Government to find a solution to the crisis which is
7 economically, socially, and environmentally sustain-
8 able for all interested parties, and that will address
9 the fundamental problem of oversupply in the world
10 coffee market.

○